

### *□ Congressman Says Agreement to Use Local Construction Workers Would Save Army Money, Result in Quality Work*

Washington, DC -- Congressman Maurice Hinchey (D-NY) this week urged the U.S. Army Corps of Engineers to use a Project Labor Agreement (PLA) for the pending construction of cadet barracks at West Point. The congressman, who helped secure House approval of funding for the development of the new barracks, said that the use of a PLA that would employ professional local construction workers would save the Army money over the course of the project and result in a quality finished product.

"PLAs have been effective in ensuring that projects are completed in a timely manner and within budget. Partnership agreements with the Hudson Valley Building and Construction Trades Council have helped to ensure the highest quality of work on local construction projects," Hinchey wrote in a letter sent on June 12 to Lt. General Thomas P. Bostick, who is the Chief of Engineers for the U.S. Army Corps of Engineers. "Furthermore, an increased use of local labor on construction projects at West Point would certainly foster a more active partnership between the USMA and the local communities in my district, where many members of the Academy's staff live...I understand the urgent need for this project, and I know that it is critically important to sustaining the morale and quality of life of the cadets. This is why I strongly supported the funding for this project as a member of the House Appropriations Committee. I am confident that the use of a PLA will help to ensure that this project is completed effectively and efficiently while also strengthening the relationship between the Academy and our local communities."

In February 2009, President Obama signed an Executive Order, which reversed a previous Bush administration Executive Order and encouraged the use of PLAs for federal government construction projects. As the EO stated, PLAs may prevent "problems from developing by providing structure and stability to large-scale construction projects, thereby promoting the efficient and expeditious completion of Federal construction contracts." Unfortunately, West Point did not employ PLAs in its major capital projects since that Executive Order was issued. In his letter, Hinchey urged Lt. General Bostick to consider the cost savings that could have

been realized by using PLAs for those other recent capital projects at West Point, which required prevailing wage rates, but did not benefit from the labor cost savings and conveniences that would have been generated through a PLA.

A PLA is a pre-hire collective bargaining agreement with labor organizations that establishes the terms and conditions of employment for a specific project. PLAs have been used to ensure quality work is completed without any work stoppages or strikes by workers who are assured safe conditions and compensated with the local prevailing wage and benefits. Project costs are always directly impacted by project stability. PLAs ensure there will not be strikes, work stoppages or jurisdictional disputes and that work will be completed on time. PLAs often standardize a 40-hour workweek, require overtime is paid at time and a half (rather than double time), and allow for flexible starting times and shifts. Along with ensuring safe working conditions, these factors contribute to worker productivity allowing for projects to be completed as planned. PLAs have been employed successfully for dozens of local projects by both the public and private sector, including for the parking garage at St. Luke's Cornwall Hospital in Newburgh and the Gap Distribution Warehouse in Fishkill.

President Obama requested the funds for new West Point barracks earlier this year in his budget proposal to Congress. Hinchey, who is a member of the West Point Board of Visitors, helped ensure the money was included in the Fiscal Year 2013 Military Construction, Veterans Affairs and Related Agencies appropriations bill, which recently passed the House, but is awaiting votes in the Senate.

President Obama's request for funding to construct barracks at West Point represented the first time in 40 years that a president's budget proposal included additional funding for barrack construction at the United States Military Academy at West Point. Cadets at the military academy currently suffer from severe overcrowding. While other prestigious U.S. service academies, as well as private colleges and universities, have significantly newer student

housing, 40 percent of the rooms at West Point that were built to accommodate two students are occupied by three.

The funds will pay for the construction of historical-style barracks that will house 650 West Point cadets. The barracks will provide better living conditions at West Point, which has 4,400 cadets overall and ultimately improve retention, morale, and quality of life.

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The full text of the letter from Hinchey to Lt. Gen. Bostick follows:

June 12, 2012

Lt. Gen. Thomas P. Bostick

Chief of Engineers

U.S. Army Corps of Engineers  
441 G. Street, NW  
Washington, DC 20314-1000

Re: W912DS-12-PLA-0001

Dear General Bostick:

I am writing to express my strong support for the use of a Project Labor Agreement (PLA) for the pending cadet barracks project at the United States Military Academy (USMA) at West Point in New York. I hope you will examine the significant advantages provided by PLAs for this and other large capital projects across the Hudson Valley.

As you know, on February 6, 2009 President Obama signed Executive Order 13502, which reversed a previous Bush administration Executive Order and encourages the use of PLAs for federal government construction projects. As the EO stated, PLAs may prevent "problems from developing by providing structure and stability to large-scale construction projects, thereby promoting the efficient and expeditious completion of Federal construction contracts." Unfortunately, West Point did not employ PLAs in its last three major capital projects since this EO was issued. I urge you to consider the cost savings that could have been realized by using PLAs for those other recent capital projects at West Point, which required prevailing wage rates, but did not benefit from the labor cost savings and conveniences that would have been generated through a PLA.

The new cadet barracks construction project at West Point is ideally suited for implementation of a PLA. The Hudson Valley is home to some of the most highly skilled and experienced construction workers in the Northeast, and there is a strong track record of success for local and regional PLAs. PLAs for large construction projects have been proven successful in dozens of private, non-profit, and public projects across the region, including major capital improvements at nearby St. Luke's-Cornwall Hospital, the Newburgh Enlarged City School District, SUNY Orange Newburgh Branch Campus, the IBM Chip Manufacturing Facility, and the Gap Regional Distribution Warehouse. On previous West Point projects, the Army Corps did not analyze the success of these projects or even interview the project sponsors who employed PLAs, which should be done as part of your current considerations.

PLAs have been effective in ensuring that projects are completed in a timely manner and within budget. Partnership agreements with the Hudson Valley Building and Construction Trades Council have helped to ensure the highest quality of work on local construction projects.

Furthermore, an increased use of local labor on construction projects at West Point would certainly foster a more active partnership between the USMA and the local communities in my

district, where many members of the Academy's staff live.

As a federal representative of the Hudson Valley for the past 20 years, I am deeply proud of the historic legacy and importance of the USMA at West Point. I have received numerous updates over the past years on the exigency of additional and improved cadet housing at the USMA. I understand the urgent need for this project, and I know that it is critically important to sustaining the morale and quality of life of the cadets. This is why I strongly supported the funding for this project as a member of the House Appropriations Committee. I am confident that the use of a PLA will help to ensure that this project is completed effectively and efficiently while also strengthening the relationship between the Academy and our local communities.

Thank you for considering my views on this matter.

Sincerely,

Maurice D. Hinchey